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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 23, 2008

Ken Brown
Unico, Inc.
8880 Rio San Diego Drive, 8th Floor
San Diego, California

Subject: Reclamation Surety Requirement, Unico, Bromide Basin Mine, S0170031, Garfield County, Utah

Dear Mr. Brown:

In 2006, the Division sent a series of letters to operators of small mines and exploration projects asking that they contact the Division concerning reclamation sureties. Our records indicate we received a call from Unico on June 22, 2006, concerning the surety for the Bromide Basin Mine but do not show any additional efforts to submit the surety.

The Division has determined the surety amount for the Bromide Basin Mine to be \$38,900.00 escalated to 2011 dollars, and this is based on the following:

5 acres of disturbance. \$6300 for the first acre, \$3900 each for subsequent acres.
\$21,900.00
4 portals, \$2000 each.
\$8000.00
Disassemble/demolish buildings and remove them from the site
\$2000.00
Remove miscellaneous scrap, trash, and equipment
\$5000.00
Additional mobilization/demobilization (remote site)
\$2000.00
Total
\$38,900.00

The disturbances listed are based on the best information available to the Division, but because the maps and text in the Notice of Intention (NOI) do not provide details of your operation, there may be some inaccuracies. If you feel there are errors, please submit an updated NOI with accurate and complete maps showing disturbances for which you are and are not



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responsible. Any disturbances created or used after 1975 either need to be bonded for reclamation or need to have an approved postmining land use. A copy of the NOI form can be found on the Division's web site at www.ogm.utah.gov

Please submit the surety no later than September 2, 2008. Failure to do so will result in enforcement action.

The surety can be submitted in the form of cash, a certificate of deposit, a letter of credit, or a corporate surety. Please contact the Division's bonding coordinator, for information about submitting the surety and associated reclamation contract. You can call 801-538-5308 or by e mail at bondcoordinator@utah.gov.

If you have questions about this letter, please contact Paul Baker at 801-538-5261. Thank you in advance for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dana Dean', with a long horizontal flourish extending to the right.

Dana Dean, P. E.
Associate Director of Mining

DD:PBB:pb

cc: Buzz Rakow, Hanksville BLM

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